

BY THE COMPTROLLER GENERAL
Report To The Chairman,
Committee On Governmental Affairs,
United States Senate
OF THE UNITED STATES

CZIC COLLECTION

The Energy Department's Office Of Environment Does Not Have A Large Role In Decision-Making

Although the Office of Environment has made the Department of Energy more aware of the need to consider environmental factors in developing energy technologies, it does not have a large role in the decision-making process which results in the selection and development of energy programs and projects.

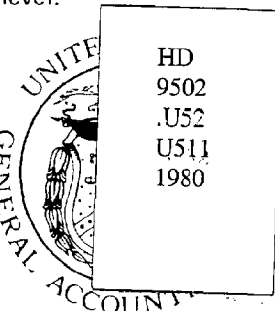
In addition, the Department's regional offices currently are not involved in the environmental planning and review process.

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The Department should:

- Ensure that environmental matters are considered throughout the decision-making process.
- Reassess the regional offices' role in environmental matters and require their participation early in the environmental planning and assessment process.

On a positive note, the Office had a large role in formulating the Department's position on a nationwide air quality standard. Also, it has taken steps to consider the environmental views of other agencies and interested groups at the national level.





COMPTROLLER GENERAL OF THE UNITED STATES
WASHINGTON, D.C. 20548

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B-197442

The Honorable Abraham Ribicoff
Chairman, Committee on
Governmental Affairs
United States Senate

Dear Mr. Chairman:

This report discusses the problems the Department of Energy's Office of Environment is having influencing departmental decisions to select and develop energy technologies. We undertook this review in response to a request from your staff for information to use during oversight hearings on the Office's effectiveness.

This report contains recommendations to the Secretary of Energy. Under the provisions of Section 236 of the Legislative Reorganization Act of 1970, the Department is required to submit a statement to your Committee, the House Committee on Government Operations, and the Senate and House Committees on Appropriations, advising the Committees of actions taken with respect to the recommendations.

We are also sending copies of this report to other congressional committees with energy responsibilities, the Secretary of Energy, and the Director, Office of Management and Budget.

Sincerely yours,

Comptroller General
of the United States

CZIC COLLECTION

U.S. GENERAL ACCOUNTING OFFICE
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COMPTROLLER GENERAL'S
REPORT TO THE CHAIRMAN
COMMITTEE ON GOVERNMENTAL
AFFAIRS
UNITED STATES SENATE

THE ENERGY DEPARTMENT'S OFFICE
OF ENVIRONMENT DOES NOT HAVE A
LARGE ROLE IN DECISION-MAKING

D I G E S T

The Department of Energy's Office of Environment does not have a large role in decisions to select and develop energy programs and projects. To its credit, however, the Office has developed several processes which have made program officials more aware of the need to comply with environmental regulations as well as the need to incorporate environmental concerns into developing energy technologies. But the Office has been concentrating on the mechanics of these processes rather than on trying to influence decisions.

Conversely, GAO found that the Office played a large role in influencing the Department's policy position on the Environmental Protection Agency's New Source Performance Standards for sulfur dioxide emissions.

Also, GAO found that the Office has taken steps to establish a good relationship with other Government agencies and private environmental groups at the National level, but agencies and environmental groups at the local level feel that it is difficult to make their views known to the Office. Also, the Department's regional offices are not involved in the environmental review process.

THE OFFICE CONCENTRATES ON
ASSURING COMPLIANCE WITH THE
NATIONAL ENVIRONMENTAL POLICY ACT

The Office's review of Environmental Impact Statements on Energy Department programs and projects is intended to

EMD-80-50

assure that the Department complies with the National Environmental Policy Act. The Office has been concentrating its efforts on assessing the Department's actions to determine significant impacts, and on reviewing Impact Statements, to assure that the impacts are properly identified, but has not played a large role in decisions which program offices make in developing and selecting technologies. The Office is presently recommending to the Department that it have a concurring role in formal decision-making.

GAO questions whether the Office's present level of effort is sufficient in light of the full intent of the Environmental Impact Statement, which is to foster good decisions. GAO believes that the full intent may better be served if the Office has a more active role in terms of early input into the selection of Energy's programs and projects. (See pp. 6 to 12.)

ENVIRONMENTAL PLANNING AND
ASSESSMENT PROCESS IS NOT
AFFECTING DECISIONS

The Office of Environment has also put a process in place for identifying environmental concerns which need to be integrated into the planning and development of energy programs and projects. The Office has expended much effort in producing environmental documents which are intended to facilitate the integration of environmental concerns into program office planning and development.

GAO found, however, that program managers find many of these documents not to be useful. These documents are intended by the Office to serve as component parts to overall program plans. For the most part, however, such plans are nonexistent.

Prior GAO reports have pointed out that program offices lack good program planning. In the absence of such planning, the Office of Environment has been producing environmental plans which are not used by the program offices.

In GAO's opinion, the Office cannot play an effective role in developing energy technologies until a mechanism is in place that uses environmental factors as one criterion in assessing program alternatives and in choosing one course of action over another. The program offices need to develop better program plans and the Office of Environment needs to assure that its environmental planning process is tailored to these plans when developed. (See pp. 13 to 19.)

THE OFFICE HAD A MAJOR ROLE
IN FORMING A DEPARTMENT POLICY
POSITION

One area where the Office influenced decision-making within the Department was a policy position on a nationwide standard proposed by another Federal agency.

Working closely with the Department's Office of Policy and Evaluation, the Office of Environment played a large role in helping form Energy's final position on the Environmental Protection Agency's New Source Performance Standards for sulfur dioxide emissions. (See pp. 20 to 24)

REGIONAL OFFICES AND OUTSIDE
GROUPS HAVE LIMITED ACCESS
TO THE OFFICE

In another area, the Office of Environment has taken some steps to establish a good relationship with other Government agencies and private environmental groups at the National level. However, Government agencies and the environmental groups at the local level feel that it is difficult to make their views known to the Office. Also, the Department's regional offices are not involved in the environmental review process.

There is no clear departmental policy requiring involvement of regional representatives in commenting on and reviewing environmental documents. Limited communication channels between the Office and the regions prevents the systematic incorporation of local environmental concerns into energy development. In addition, local agencies and environmental groups have criticized the Office for not assuring adequate public notice and circulation of Environmental Impact Statements. These problems make it difficult for local interest groups to participate in the environmental planning and review process. (See pp. 24 to 32.)

RECOMMENDATIONS

GAO recommends that the Secretary of Energy, in considering the Office's proposal for a role in decision-making, provide for a means by which environmental factors can be given full consideration throughout the process of selecting energy programs and projects.

GAO also recommends that the Secretary of Energy assure that the Department's current examination of its field structure include a re-assessment of the regional offices' environmental responsibilities, and establish a clear policy requiring early involvement by the regions in the environmental planning and assessment process.

AGENCY COMMENTS

The Department of Energy provided informal comments on this report which basically agreed with GAO's observations that the Office does not have a large role in Department decisions to select and develop energy technologies. However, the Department felt that GAO had misconstrued the "true incremental dynamic nature of departmental decision-making" and thus underestimated the Office's impact on decisions. GAO recognizes

that this process may have a subtle impact on program managers' decisions. However, the extent of this impact is unclear, since the Department could not provide specific examples of how the process had affected decisions. In addition, GAO believes that the Office's own efforts to obtain a formal decision-making role indicate that its present level of involvement is insufficient to assure that environmental concerns are fully considered by program offices.

The Department noted that limited regional office involvement is a Department-wide problem that is currently being studied. The Department also felt that the Office is making more progress in obtaining outside views, and does more to involve the public in environmental matters than GAO indicated. GAO recognized additional efforts cited by the Department in this regard. GAO noted, however, that environmental groups consistently pointed to these as problem areas.

In GAO's view, the Department needs to adequately consider these views if it is to develop the coordination needed for the orderly development of energy programs.

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ABBREVIATIONS

Btu	British Thermal Units
DOE	Department of Energy
EPA	Environmental Protection Agency
NEPA	National Environmental Policy Act
NSPS	New Source Performance Standards
SO ₂	Sulfur dioxide

CHAPTER 1

INTRODUCTION

PURPOSE AND SCOPE

The Senate Committee on Governmental Affairs plans to conduct oversight hearings on the Department of Energy's (DOE) Office of Environment (hereafter referred to as the Office) early in 1980. This study was undertaken to provide information for these hearings on how effectively the Office has been meeting its responsibilities to incorporate environmental concerns into DOE's energy technology and policy decisions.

To provide this information to the Committee in time for its hearings, our efforts were largely limited to data we could obtain and assess during October - December 1979. We selected four activities chosen from the Office's basic responsibility for review.

- The National Environmental Policy Act (NEPA) compliance and overview role. We reviewed how Environmental Impact Statements for DOE sponsored projects are initiated, written, reviewed, and administered.
- Environmental planning and assessment, and the coordination of environmental planning and research activities with energy program or project planning and development. We concentrated in this instance on the coal liquefaction and the oil shale programs.
- DOE policy positions on environmentally related issues, and the Office's role in DOE policy formation. To evaluate the Office's performance on policy development, we assessed its input to the DOE position on the New Source Performance Standards.
- DOE's relationship to other government agencies and private outside environmental groups, and the Office's role in coordinating environmental matters at the regional level. We inquired into these groups' impressions of the Office's effectiveness and into its role in DOE regional management.

These four activities represent a fundamental cross-section of important Office functions and activities and highlight its relationship to the rest of DOE and outside groups. We believe they are good indications of overall performance since they represent the basic functions of this office.

In our view, focusing on these areas provided a basis to judge the general effectiveness of the Office against the various criteria such as the law, congressional intent, and organizational responsibilities.

Specifically, to evaluate the Office's role in preparing Environmental Impact Statements and in coordinating environmental planning and assessment with the program offices; and to assess its role in forming a DOE policy position, we spoke to DOE staff members and other appropriate individuals involved. We examined reports, documents, files, and other studies addressing these issues. To evaluate DOE's relationships to outside environmental groups, we talked to staff from the Environmental Protection Agency, Council on Environmental Quality, and environmental groups outside of government. To evaluate the Office's relationship with regional offices, we talked to representatives from both DOE headquarters and selected regions.

In each of these cases, we verified our findings by questioning individual counterparts in other divisions and offices in DOE.

THE ESTABLISHMENT OF DOE AND ITS ENVIRONMENTAL RESPONSIBILITIES

The Department of Energy Organization Act (P.L. 95-91) consolidated the major Federal energy functions into the Department of Energy as of October 1, 1977. Section 102(13) of the Act states one of the purposes of DOE as, "****to assure incorporation of national environmental protection goals in the formulation and implementation of energy programs, and to advance the goals of restoring, protecting, and enhancing environmental quality, and assuring public health and safety." In addition, section 203(a) of the DOE Act defined the functions which the Assistant Secretaries of Energy would perform, one of which was dealing with environmental concerns. The environmental functions set out in the initial organization act included "****advising the Secretary with respect to the conformance of the Department's activities to environmental protection

laws and principles, and conducting a comprehensive program of research and development on the environmental effects of energy technologies and programs."

Congressional Intent for
Environmental Concerns in DOE

A short time before the DOE Organization Act became law, Congress reflected its interest in the soon-to-be-formed department. A legislative report submitted by the Senate Committee on Governmental Affairs, May 14, 1977, gave an indication of what Congress, at least from the Senate side, considered important in terms of environmental responsibility. A report citing similar responsibilities was also submitted by the House Committee on Government Operations and affirmed in the conference report. The Senate report stated that the environmental responsibilities and functions should include,

"* * *advising the Secretary with respect to the conformance of the Department's activities to environmental protection laws and principles; assuring incorporation of national environmental protection goals in the formulation and implementation of energy programs within the Department; and conducting a comprehensive program of R&D on the environmental effects of energy technologies."

The report continued:

"The committee expects the Assistant Secretary who handles these responsibilities to be the Department's monitor with regard to the environmental impacts of energy supply and conservation programs and policies; and to advise the Secretary of these potential impacts before the Department launches such programs and policies. This Assistant Secretary will serve as the chief Department focal point for the fulfillment of responsibilities under the National Environmental Policy Act."

Based on statements in these Committee reports, it is clear Congress intended to give DOE an important role in integrating environmental concerns with energy programs.

Executive Office
Organization Task Force

This broad, general guidance for DOE environmental responsibility was refined by an Executive Office Organ-

ization Task Force. Once DOE was established, it was the responsibility of this task force to distribute guidelines, procedures, and responsibilities to each of the Assistant Secretaries of the Department. The task force issued a preliminary document on August 31, 1977, entitled, "The Department of Energy Organization." This document was later completed by the Office of Management and Budget and the White House. It set out specific responsibilities for the Assistant Secretary for Environment. The responsibilities were to

- provide NEPA technical assistance and policy guidance to DOE program and regulatory offices;
- review and assess environmental analytical and technical products prepared by other DOE program offices;
- review and assess DOE policies and strategies for mitigating environmental impacts;
- assure adequate health and safety in DOE programs; and
- assure implementation of health and safety measures by DOE contractors.

Functions set out in the DOE Organization Act and further defined by the Executive Task Force require considerable interaction between the Assistant Secretary for Environment and other Assistant Secretaries who are responsible for program and policy development.

THE PRESENT ORGANIZATION OF THE OFFICE

Each of the above responsibilities are incorporated into the different groups in the Office. The Office of Environment has three major operating functions which are carried out by three of its five offices:

- The Office of Health and Environmental Research is responsible for health and ecological effects research and pollutant characterization to assess energy technologies and their impacts.
- The Office of Environmental Compliance and Overview is responsible for oversight to assure departmental compliance with environmental laws and regulations.

--The Office of Technology Impacts is responsible for assessing the overall planning and policy regarding integration of environmental concerns into developing technologies.

The other two offices are responsible for program coordination and management support.

CHAPTER 2

THE OFFICE OF ENVIRONMENT DOES NOT HAVE

A LARGE ROLE IN DOE DECISION-MAKING

The Office of Environment does not have a large role in program office decisions to select and develop energy technologies. The Office has concentrated on developing processes which have made program offices aware of the need to comply with environmental regulations as well as the need to incorporate environmental concerns into developing energy technologies. The basic purpose of these processes is to foster good planning and decision-making. The Office, however, has not been actively involved in the decision-making process.

In the area of overview and compliance, the Office has not taken an active role in decisions on the selection of energy projects. The Office is presently recommending to the Department that it have a concurring role in formal decision-making.

In the area of environmental planning and assessment, the process which the Office has put in place to integrate environmental concerns with energy technology planning and development involves the production of numerous documents which, according to program officials as well as Environment officials, are presently not affecting the way program offices make decisions.

THE OFFICE OF ENVIRONMENT IS NOT PLAYING A LARGE ROLE IN DOE'S SELECTION OF ENERGY PROJECTS

The Office has developed a process which is intended to assure that DOE actions comply with the National Environmental Policy Act. The Act requires an Environmental Impact Statement for major Federal actions which significantly affect the human environment. The purpose of the National Environmental Policy Act, however, is not to produce an excellent Environmental Impact Statement, but to produce excellent decision-making which takes environmental factors into full account. The Office has been concentrating on assessing major DOE actions to determine whether they have significant environmental impacts. It is also reviewing Environmental Impact Statements to assure that the most complete environmental information is available for the decision-maker. In so doing, the Office has increased the awareness in DOE program offices of

environmental concerns. The Office has not, however, played an active role in providing input into the decisions which program offices make in selecting and developing energy technologies.

The Office is currently proposing to DOE management that it have a more active role in program office decisions. This is discussed further on page 10.

Background: The National
Environmental Policy Act and
the Environmental Impact
Statement

One of the purposes of the National Environmental Policy Act (P.L. 91-190), as stated in Section 2, is "****to promote efforts which will prevent or eliminate damage to the environment****." As part of the effort to carry out the policy stated in the Act, the Federal Government shall "****include in every recommendation or report on proposals for legislation and other major Federal actions significantly affecting the quality of the human environment, a detailed statement by the responsible official on--

- (i) the environmental impact of the proposed action,
- (ii) any adverse environmental effects which cannot be avoided****,
- (iii) alternatives to the proposed action****."

This detailed statement, the Environmental Impact Statement, is intended to establish an environmental basis for making decisions on a proposed action. DOE currently processes about 50 actions per year which significantly affect the quality of the human environment.

The Environmental Impact Statement is not intended to be a disclosure or a justification for action already taken, but rather is to provide an informed basis for taking a certain action. The heart of the Impact Statement, therefore, is the description of alternative actions. Based on these alternative actions and their impacts, the responsible official is to make a reasoned choice.

The Office Concentrates
on Assuring Compliance

The Office has been concentrating on reviewing major DOE actions to determine whether they have significant

environmental impacts, and on reviewing Environmental Impact Statements to assure they comply with Council on Environmental Quality regulations.

The Office's review of the Environmental Impact Statement is two-tiered. It reviews the specific Impact Statement to assure that the document has considered all possible alternatives to the proposed action, and that it has described such alternatives and their environmental impacts completely and objectively. Secondly, it broadly reviews the Impact Statement, noting where information may be inaccurate or questionable. Through a reiterative process, it attempts to assure that the most complete and accurate environmental information is in the Impact Statement, consistent with Council on Environmental Quality guidelines and regulations.

The Office also provides advice to the program offices in preparing such Impact Statements. It is in the process of issuing an Environmental Compliance Guide, which outlines the phasing of the Impact Statement with project or program development and provides guidelines for preparing such items as a Notice of Intent and a Record of Decision. The Guide is designed to give the program offices complete and standardized information and procedures for carrying out all functions related to the National Environmental Policy Act and other relevant environmental statutes. In addition, the Office plans to implement a training program to assure that all program offices are aware of the NEPA process and how to carry it out.

The purpose of these Office activities is to ensure that program offices comply with the National Environmental Policy Act. The Office also intends that this process will foster good decisions by presenting to the decision-maker the most environmentally complete information. The Office does not frequently make recommendations to the program offices in the selection of energy programs or projects; nor does it have a role in the formal decision-making which selects energy projects or programs.

The Office has the Authority
to Play a Larger Role in DOE
Program Decisions

A DOE Order, which establishes internal Department procedures to assure compliance with the National Environmental Policy Act, authorizes the Office to evaluate Impact Statements to recommend alternative actions. The Order states that the Office will evaluate proposed and alternative DOE actions as set forth in Environmental

Impact Statements and make appropriate environmental recommendations to the responsible Assistant Secretary.

When we asked a senior Office official to cite instances when his office used its authority to recommend alternative actions, he could only think of two or three recommendations out of 50 Environmental Impact Statements processed a year. The official questions, however, whether making recommendations is a valid indicator of Office effectiveness. In his view, more recommending by the Office could be an indication of its failure to effectively influence program office decisions. The same Office official said that his office has not done much to recommend alternatives because it has been concentrating on putting a process in place intended to ensure DOE's compliance with the National Environmental Policy Act. In addition, the official maintained that, if his staff were to do more recommending, he would want them to know more about other factors which go into a program office's decision, such as cost, technology, and local public considerations. According to this official, without the Office's knowledge of factors other than environment, its recommendations would not have as much impact as they otherwise could have.

According to this official, there are no firm procedures to follow in recommending alternatives under the present DOE Order. If the Office of Environment feels strongly that its recommendation should be implemented, it must take the initiative to elevate its recommendation to the Under Secretary's office through an action memorandum, a procedure used to handle all DOE issues of non-concurrence.

The Office is seeking an
active decision-making role

Presently, program offices make the decision which commits DOE to a certain course in developing energy technologies. In making the decision, the program offices are responsible for taking into account environmental considerations and promoting actions which "***protect, restore, and enhance the environment." Council on Environmental Quality regulations (40CFR 1505.2) require that Federal officials prepare and write a public Record of Decision which explains how they have considered all factors in arriving at a final decision. In this way, the Record of Decision is intended to link the process of writing an Environmental Impact Statement with the process of making a decision.

DOE program offices are currently considering an Office of Environment proposal for preparing and issuing the Record of Decision which lists three alternatives:

- The program office solely makes the decision.
- The program office makes the decision after recommendation from the Assistant Secretary for Environment.
- The program office makes the decision, but looks for concurrence from the Assistant Secretary for Environment, and, if none, the issue requires resolution by the Under Secretary.

In the proposal, the Office specifically recommends that it either have a recommending or concurring role, and it finds the alternative which gives the program offices sole decision-making authority unacceptable. By having an active role in decision-making, the Office of Environment feels that it can ensure a more appropriate balancing of environmental and program considerations in DOE's selection of energy technologies.

Our evaluation of the Office's proposal

We see problems with program offices maintaining sole decision-making authority. Either of the other two options could work. Early involvement in the process is the key, as well as an ability to express concurrence or non-concurrence with proposed decisions.

After interviewing various program and project managers, and Environment officials, it is our view that in the selection of energy technologies, environment is given little attention compared with such factors as energy payback, cost, time, and commercial potential. If our view is accurate, giving the Office of Environment a more active role in the decision-making process on actions which significantly affect the environment, may better assure more balance of program and environmental considerations. It is also our view that the Office would not be recommending that it have a larger role in decisions if it were confident that its present role were adequate to ensure balanced decision-making.

There are some potential problems, however, with any direct role the Office would play in a decision to go with a particular project or proposal. There are other factors besides environment which go into a decision to

develop an energy technology. The decision-maker or makers must consider energy payback, cost, public sentiment, the commercial potential of the project, and the time it takes to develop it. Environmental factors impact on all these considerations, but, in some instances, what may be a preferable alternative on environmental grounds alone may be unacceptable in terms of potential commercialization, cost, and time. Thus, if the Office has a formal role in decision-making, whether by recommending or concurring or non-concurring in a decision, it would have to know something about other factors which bear on the full decision-making process.

We see an advantage to DOE selecting a more active role for the Office in the decision-making process. The advantage is highlighted by the Council on Environmental Quality regulations (40 CFR 1500.1) for implementing the National Environmental Policy Act which state:

"NEPA's purpose is not to generate paperwork--even excellent paperwork --but to foster excellent action. The NEPA process is intended to help public officials make decisions that are based on understanding of environmental consequences, and take actions that protect, restore, and enhance the environment."

The question is: To what extent could a concurring role in decisions for the Office of Environment contribute better to this intended purpose?

The Environmental Impact Statement is intended to serve as a source for balanced decision-making. We observed, however, that it is not being used in the way it was intended by NEPA. Some program officials and Office of Environment officials have cited the tendency for the Environmental Impact Statements to be used as ratifications of actions already decided upon. Even though a program office does not make a formal decision on a proposal until after an Impact Statement is completed, the Impact Statement is still in a draft stage when substantial resources have been committed to a particular proposal, often to a project on a particular site. Moreover, industrial partners will often present a proposal to DOE with a particular site firmly in mind. Environmental officials have told us that, because of this procedure, it is very difficult for program officials to seriously consider other alternatives--alternatives which must be fully described

in the Impact Statements. DOE program officials have told us that they realize this condition mitigates against the full intent of NEPA.

Because the program offices are not fully using the Environmental Impact Statements the way they were intended by NEPA, it is our impression that balanced decision-making will be less likely. Therefore, a more active role by the Office may be appropriate to assure that environmental concerns are adequately considered.

Conclusions and Recommendation

Our view, after talking with Environment officials, is that the full intent of NEPA may better be served if the the Office of Environment has a more active role in the way DOE selects energy programs or projects. Currently, the Office of Environment reviews the Environmental Impact Statements, but is presently not consistently involved in the process either at the beginning stages (i.e., the "scoping" process, whereby meetings with concerned public officials are held to sound out a particular proposal), or the final stage, when the formal decision is made.

We question whether the present effort of the Office of Environment, concentrating on influencing decisions through a process which identifies environmental impacts and reviews Environmental Impact Statements, is sufficient to foster good decisions. Currently, the burden is on the program offices to produce a good decision, but it is our impression that the Environmental Impact Statement is not being used in the way it was intended to make decisions and take actions that "***protect, restore, and enhance the environment." It is also our view, after interviewing senior Environment officials, that they would not be recommending that they have a more active role in decision-making if they felt their present level of effort were sufficient to foster the kind of decision-making intended by the National Environmental Policy Act.

We therefore recommend that the Secretary of Energy, in considering the Office's proposal, make a decision which is consistent with providing for a means by which environmental factors can be given full consideration throughout the process of selecting energy program and projects.

Agency Comments

DOE officials provided informal comments on a draft of this report. They generally agreed that the Office should have a more extensive role in decisions made on energy programs and projects. However, they felt that we had misconstrued the "true incremental dynamic nature of departmental decisionmaking" and thus underestimated the Office's impact on decisions. According to these officials, the NEPA process involves continued interchange with program officials. As a consequence of this interchange, they believe environmental factors are considered in decisions.

In completing our report, we have recognized the existence of the informal process. However, the extent of its impact is unclear, since DOE could not provide specific examples of how the process had affected decisions. Also, the fact that the Office is seeking a formal role in decision-making, and did not dispute the basic thrust of our observations, continues to lead us to believe that the Office's present level of involvement in decisions which affect both the selection and development of energy technologies is extremely limited.

INTEGRATING ENVIRONMENTAL AND TECHNOLOGICAL RESEARCH

The Office of Environment has a process which identifies environmental concerns associated with developing programs and projects within DOE, research that needs to be completed to determine the environmental and health effects associated with these technologies, and the controls which need to be developed to mitigate adverse environmental effects. However, after talking to program and Environment officials, it is our view that the process has little effect on decisions made about program direction or emphasis. The program managers told us that the documents are too general to be useful; conversely, a senior Environment official told us that the documents are intended as component parts of technology program plans, which presently do not exist.

Environmental Planning and
Assessment Process has Helped
Improve Working Relationships

In April 1978 we reported ^{1/} that the Office's predecessor office in the Energy Research and Development Administration had encountered problems in developing a close working relationship with officials involved in fossil energy development and in coordinating and integrating its environmental efforts into fossil energy technologies. Since that time, the Office has developed an environmental planning and assessment process that both program and Environment officials feel has helped improve working relations with program offices.

One of the Office's major responsibilities is to conduct research on the environmental and health effects associated with developing technologies. To integrate these efforts into the research, development, and demonstration activities conducted by DOE's program offices, the Office's process calls for the preparation of a number of documents. Several of these documents are prepared under the cognizance of Environmental Coordinating Committees which are established for each technology. Subcommittees comprised of Environment Office and program office representatives prepare an Environmental Development Plan for the program (e.g., Oil Shale or Coal Liquefaction) and Project Environmental Plans for major projects (e.g., Solvent Refined Coal I--Demonstration Plant) undertaken in support of the program.

The Environmental Development Plans are generic summaries of the environmental concerns and issues associated with the program, and are periodically updated as more is learned about the program. They are intended to be a component part of the technology offices' program plans. Currently, there are about 35 Environmental Development Plans, most of which are in their second iteration.

The Project Environmental Plans outline the environmental (including health and safety) research and development to be performed in support of a particular project. These are prepared for major projects which are covered

^{1/}"Opportunities to Fully Integrate Environmental Research and Development into Developing Energy Technologies", EMD-78-43, 4/6/78.

by DOE's Program and Project Management System. If necessary, the Project Environmental Plans are revised and updated at major decision points in the progress of the project. To date, 67 of these documents have been prepared.

In addition, the Office independently prepares Environmental Readiness Documents which assess the environmental status and readiness of a technology to proceed to the next phase of development. The Office, as discussed previously, also reviews Environmental Assessments and Environmental Impact Statements prepared by the program offices.

This process is serving to identify environmental concerns associated with a program and the research that needs to be done on certain projects. According to both program and Environment officials, it has helped improve working relations between the Office and program offices and has made program managers aware of the need to incorporate environmental concerns into their programs and projects. However, some program managers have told us that they do not frequently use the documents and the process has not had much influence on major program decisions.

Office officials are aware that the process has little influence on program decisions, but believe that preparation of the documents has been useful because it gets appropriate Environment and program staff in contact, and therefore serves as a catalyst for incorporating environmental considerations into program research and development.

Program Managers Question Usefulness of Documents

The program managers we spoke to indicated that the environmental planning documents are not useful to them. One program manager was aware of the generic environmental issues which these documents specified, but felt that they contain little to help him manage his program. In his view, the Office is more interested in the form rather than the substance of these documents.

Another program manager said the only reason the Environmental Development Plan for his program contained any useful information was because he had insisted that his management plan be incorporated into the document. He insisted on this because he felt that the Environ-

mental Development Plan should reflect what would be done in the program rather than document generic concerns associated with environmental issues.

One manager said that the Project Environmental Plans for the major projects included in his program were redundant and did not contain enough project specific environmental research. Although he has a good working relationship with the Office's research personnel and believes the environmental and programmatic research is well coordinated, he does not believe such successful coordination is driven by the Project Environmental Plans. He noted, however, that working with the Office on the initial Project Environmental Plan had helped build a good relationship with the Environmental research staff.

The Office's Process Does Not Influence Program Decisions

The environmental planning and assessment process has had little influence on DOE decisions concerning the future direction of the programs we reviewed. We found little indication that the process results in decisions to discontinue or substantially redirect programs even where potentially severe environmental problems are identified.

For example, the Environmental Readiness Document for oil shale published in September 1978 pointed out that there is a higher probability that environmental concerns would delay the commercial development of the in situ retorting process (heating shale in the ground to extract oil) than the surface retorting process. The June 1979 draft Oil Shale RD&D Program Management Plan, however, places major emphasis on the in situ process because it is potentially "***less disruptive to the environment than surface retorting." The oil shale program manager said there are different perceptions of the environmental problems associated with this process. He indicated that the Environmental Readiness Document did not adequately consider the research still needed to assess the environmental consequences.

Office officials recognize that further data are required to judge the environmental acceptability of in situ processes and believe that their conclusion in the

Environmental Readiness Document is useful in assessing the various options available for oil shale development.

Lack of DOE Program Plans
Hinders the Office's Efforts

A senior Office official noted that environmental planning documents can only be as useful as the program managers want them to be, and that, in the absence of well-defined program plans, they necessarily serve a very limited function. This same official notes that the intention of the Environmental Development Plan is to provide the environmental component for a program plan. In his view, there are few program planning documents or project planning documents within DOE; and this has undermined his efforts to establish the document as a useful planning tool.

According to this official, most of DOE's activities are presently directed at the project level approach, and that, without clearly established program level plans, there is no mechanism for providing a valid basis for integrating required environmental research and development activities in a logical and consistent way.

Consequently, a comprehensive environmental strategy cannot be effectively developed for a program, and the Office is forced to make its own assumptions about the relative priorities of projects instead of developing a focused plan directed toward program goals. An environmental representative in one of the program offices acknowledged the project approach within DOE, and said that, since historically DOE inherited many on-going projects, it makes sense to emphasize projects initially, and then emphasize program level planning at a later date.

Previous Reports Cite Lack
of Program Planning in DOE

As we have pointed out in a number of previous GAO reports, 1/ the lack of program planning has hampered

1/"Fossil Energy Research, Development, and Demonstration: Opportunities for Change", EMD-78-57, 9/18/78; "Improvements in DOE's Solar Photovoltaic Program Should Help Meet Program Objectives", EMD-79-40, 4/19/79; "Strategic Petroleum Reserve Withdrawal Capabilities, Security Measures and Reserve Accounting", EMD-79-42, 3/27/79; "Commercializing Solar Heating: A National Strategy is Needed", EMD-79-19, 7/20/79.

the effectiveness of DOE's technology programs. Often there is no analysis or rationale evident for why a program is going in a particular direction or what individual projects will contribute to the overall program. In effect, major projects within a program are given equal priority, dispersing DOE's limited resources over a number of individual efforts.

Evaluation by the Environmental Protection Agency

Similar problems are observed by the Environmental Protection Agency (EPA) in its draft report on DOE's environmental activities. In the draft report, which is to be published in early 1980, EPA said that DOE's approach to technology development focuses primarily on hardware design and construction rather than on solving technical and environmental problems, and that DOE does not adequately consider environmental factors in setting energy policy and evaluating technology developments.

Conclusions

The Office of Environment and the program offices have made progress in coordinating their efforts over the past two years. According to program and Environment officials we interviewed, much of this progress can be attributed to the environmental planning and assessment process, which has helped integrate environmental concerns and research into developing technologies and contributed to specific project operations.

However, the process involves the preparation of a number of documents which are not particularly useful to some program managers. They told us that the documents contain general information on programs and projects which does not help them manage their specific projects. Conversely, Environment officials maintain that the lack of program planning limits the usefulness of the documents.

In our view, the fact that these officials noted that environmental documents have had little influence on program decisions bears out our prior observations about a fundamental lack of comprehensive program level planning within DOE. We feel that the Office cannot play an effective role in developing energy technologies until a mechanism is in place that uses environmental factors as one criterion in assessing program alternatives

and rationalizing why one course of action is chose over another. Based on our discussions with program and Environment officials, we believe that environmental factors currently are not playing a role at this level within DOE. The program offices need to develop better program plans and the Office needs to assure that its environmental planning process is tailored to these plans when developed.

Agency Comments

In their informal comments on a draft of this report, DOE officials acknowledged that they do not have effective program planning, but stated that changes are being made at the present time which will improve the process. They believe that this should help further incorporate environmental concerns into program decisions.

CHAPTER 3

THE OFFICE OF ENVIRONMENT'S ROLE IN FORMING A DOE POSITION AND THE OFFICE'S RELATIONSHIPS WITH REGIONAL OFFICES AND OUTSIDE GROUPS

We looked at two other areas in order to judge the effectiveness of the Office of Environment: the DOE policy position on New Source Performance Standards, and the involvement of DOE regional offices and other government agencies and private environmental groups in the Office's environmental review process.

The Office of Environment played a major role in forming a DOE policy position on New Source Performance Standards. The Office influenced DOE's final position on the Standards by working closely with the Office of Policy and Evaluation to develop a mutually agreeable position.

In addition, the Office of Environment has taken some steps to establish a good relationship with other government agencies and private environmental groups. However, DOE regional offices are not involved in the environmental review process. Many of the outside groups are dissatisfied with the Office's outreach efforts.

THE OFFICE OF ENVIRONMENT HAS TAKEN AN ACTIVE ROLE IN DOE'S POLICY POSITION ON NEW SOURCE PERFORMANCE STANDARDS

The Office has taken an active working role in developing DOE's policy positions on the New Source Performance Standards. DOE's formulation of a final policy position on the New Source Performance Standards was influenced considerably by the Office of Environment's analysis. Basically, the Standards limit emissions of sulfur dioxide (SO₂), nitrogen oxides, and other particulate matter from electric utility steam generating units.

A Chronological Description of the Office's Role

In November 1977, the Environmental Protection Agency (EPA) released a draft proposal for New Source Performance

Standards (NSPS) for electric utility boilers, and requested comments from DOE. The sulfur dioxide standards proposed by EPA were

- a 90 percent SO₂ removal averaged daily;
- a ceiling of 1.2 lbs., SO₂ per million Btu 1/ averaged every 24 hours as the maximum emission level allowed;
- a floor of 0.2 lbs., SO₂ per million Btu as the minimum emission level, after which scrubbing efficiency could drop below 90 percent; and
- a scrubber reliability of 100 percent with no bypass allowed.

There were also standards for nitrogen oxides and particulates, but they are not discussed here for purposes of brevity.

DOE, in response to the proposed EPA standards, undertook an extensive analysis of the potential consequences of the proposed rulemaking. Throughout the analysis, DOE maintained close coordination with EPA staff. The Department of Energy's Office of Policy and Evaluation took the initial lead in the Department's efforts to develop recommended alternative New Source Performance Standards for consideration by EPA in the final standard. The Office of Environment became involved shortly after Policy and Evaluation began its work on NSPS.

After this initial involvement, the Office's role in working with Policy and Evaluation to prepare DOE's position was expanded. Both offices undertook major analytical efforts using EPA computer information to form the DOE policy position.

Based on this computer data and other analytical work prepared by the two staffs, Policy and Evaluation and the Office worked jointly to produce the Department's early positions on the New Source Performance Standards. Typically, either office would prepare comments on NSPS and send them to the other for comments and/or revisions. During this back-and-forth process, other divisions in DOE, most notably, Resource Application and Energy

1/Btu - British Thermal Units

Technology (now divided into the offices of Fossil and Nuclear Energy), were asked to comment on the evolving DOE position. Throughout many iterations of the proposed DOE position, the Policy and Evaluation and Environment Offices worked together in meetings, briefings, and through telephone communications to develop a final DOE position that was acceptable to both offices. The majority of coordinating efforts were completed on an informal or ad hoc basis.

The bulk of the DOE position on NSPS was prepared jointly by the two offices, including three letters which were sent to EPA. The first two letters, which were considered reports on DOE's analytical data up to that point, were revised and a final DOE position was signed December 15, 1978, by the Deputy Secretary.

DOE made final recommendations to EPA in four major areas. Most of the support for these issues was completed by the two offices with considerable interaction with the Deputy Secretary. Either Policy and Evaluation or the Office of Environment prepared initial drafts for each of the recommendations. The other office then supplied additional analytical work or revised the draft. In all cases, it appears that the final product was influenced considerably by both. The areas of recommendations for the DOE final position included the following:

- A sliding scale for SO₂ removal based on the sulfur content of coal burned.
- A two stage proposal for Maximum Removal and Emission Ceiling for SO₂ that would allow for a 90 percent scrubbing level averaged monthly with an emission ceiling of .8 lbs. per million Btu annual average. These levels would automatically change to 93.5 percent and .55 lbs., respectively by 1983.
- A maximum emission rate for particulates of .05 - .08 lbs. per million Btu until EPA has gathered data on the "bag house" installations currently being tested.
- A less stringent standard for emerging technologies to provide certainty for investment in these facilities.

While all of the recommendations were prepared and evaluated jointly by the Offices of Environment and Policy

and Evaluation, the first two are discussed below to provide a brief description of Environment's involvement in the NSPS position.

DOE's first recommendation for SO₂ emissions allowed for a sliding scale for SO₂ removal when using coal with different sulfur levels. In short, the recommendation said that users of low sulfur coal should not have to remove the same percentage of sulfur as users of high sulfur coal. The Policy and Evaluation Office was the originator of this proposal, but received supporting analysis from the Office of Environment. Environment was heavily involved in integrating information on pollutant exposure by region. This led to a proposal that the regulation have two stages. Policy and Evaluation and Environment were both major contributors to the final sliding scale position for SO₂ emissions.

The second area, a two stage proposal for Maximum Removal and Emission Ceiling for SO₂, was originally drafted by the Office of Environment. Basically, DOE supported EPA's September 19, 1978, revised standards with the exception of the daily average emission requirement which they believed should be changed to a monthly average equivalent. DOE felt the maximum removal requirement should be 90 percent monthly and that the emission ceiling be .8 lb. per million Btu annual average. In addition, DOE recommended that the standard automatically change to 93.5 percent and a monthly equivalent of .55 lb. for the annual ceiling in 1983. Environment performed a considerable amount of quantitative analysis for several options.

Policy and Evaluation reviewed Environment's proposed options and gave comments and revisions. Both offices participated in arriving at an acceptable final standard.

Conclusions

Both Policy and Evaluation and the Office of Environment developed DOE's final position and recommendations. Our investigation indicated good communication and coordination between these offices. Much of the analysis used in formulating the DOE position was intermingled in the drafting of the DOE letters. To determine exactly which Office contributed which information would be difficult. There was little, if any, documentation from either office indicating their individual viewpoints on DOE's final NSPS recommendations. Most draft material made available for this study included revisions from either the Office of Environment or Policy and Evaluation.

While the Office of Policy and Evaluation took the initial lead for the Department, the Office of Environment became extensively involved early in the process to help develop the final position. In fact, during the formulation of DOE's position on the New Source Performance Standards, the Deputy Secretary formally established the Office of Environment as the focal point for the Department in responding to "***environmental regulations, guidelines, standards, rules, legislation, and other environmental activities which could impinge on DOE plans and programs." This responsibility was given to Environment in April 1978 through a Draft Interim Management Directive.

The process used between these offices was basically informal, using telephone communication, or working level staff meetings. In the drafting of all three letters, a final decision was reached between Environment, Policy and Evaluation, and the Deputy Secretary. (All divisions within DOE concurred on the final position that was sent to EPA). In this instance, the Office of Environment had an active working role in the formulation of DOE's final policy position.

Several parts of DOE's final position were incorporated into EPA's regulations on the New Source Performance Standards. Both the general concepts recommended by DOE on the sliding scale for SO₂ emission and reduced standards for emerging technologies were used. However, neither specific recommendations by DOE for maximum emission rates for particulates nor maximum removal and emission ceilings for SO₂ were incorporated in EPA's regulations.

THE OFFICE'S RELATIONSHIP WITH REGIONAL OFFICES AND OUTSIDE GROUPS

Channels of communication are limited between the Office of Environment and DOE's regional offices. As a result, the Office is not systematically incorporating local environmental concerns into developing energy technologies. In addition, even though the Office has taken some steps at the National level to obtain the views of other Government agencies and private environmental groups, many groups are dissatisfied with efforts at the local level. They believe that the Office could play a stronger role within DOE.

Regional Offices are not
Involved in the Office's
Environmental Process

The regional offices of the Department of Energy are not involved in the environmental assessment and review process which operates within DOE's headquarters. There is no clear departmental policy which requires involvement by regional representatives in commenting on and reviewing environmental documents. Limited communication between the Office and the regions hampers the systematic incorporation of local environmental concerns into the development of energy technologies.

We spoke to officials in five of DOE's ten regional offices about their role in DOE's management structure. The regional offices function as representatives of the Secretary of Energy. They coordinate public affairs activities, administer Federal program monies, and perform some limited regional energy studies and resource application analysis.

Regional officials expressed frustration over the lack of coordination between their offices and DOE headquarters. According to these officials, the regional offices have little contact with the environmental assessment process, which makes it difficult for them to include their perspective. In addition, regional officials criticize many of the environmental documents saying that they are too general, do not include regional concerns, and are not useful in resolving local conflicts and concerns. These officials believe that their regional perspectives could be used better by the Office in compiling documents and coordinating public involvement. According to regional officials, State institutional constraints, such as zoning and rate charges, often conflict with the energy planning done by the Office. Consequently, they believe that their review and comments should be sought during the preparation of environmental documents.

Office of Environment officials agreed that environmental documents often need improvements in terms of regional perspectives. For example, in forecasting energy demands, data collected at the national level cannot always be used accurately at the local level. However, they said that while a disparity sometimes exists between the regional and national perspective, the Office has chosen to use the broader national perspective when forecasting energy demands.

Regional officials complained that they have a difficult time obtaining draft Environmental Impact Statements, both those prepared by DOE and those with major energy significance in their region where DOE is not the lead agency. Often these Statements arrive at the regional office after the comment and review period; sometimes they never arrive, leaving the regional office in a poor advisory position. The DOE Director of Regional Coordination stated that, as far as he knows, no departmental policy exists which requires the circulation of pertinent Environmental Impact Statements from program offices to the regional representatives. This statement was confirmed by other DOE officials.

This lack of circulation of Environmental Impact Statements to regional representatives limits their public information role, and often requires that regional offices rely on other Federal agencies in the region to keep informed. It also reduces the ability of the regional offices to incorporate their perspective into Environmental Impact Statements. In our view, by not having a regular advisory and review role, regional representatives, and their public constituencies, cannot fully participate in the environmental review process.

The Department of Energy has expressed interest in getting the regional offices more involved in the environmental planning and assessment process. Some programs within the Office are beginning to move toward a closer relationship with the regional offices, by including these offices on mailing lists and establishing staff level contacts within each regional office. DOE is currently examining its field structure, and investigating methods of decentralizing authority to the regions. We believe this examination should include a re-assessment of the role of the regions in environmental planning and assessment and establish a policy requiring the early involvement of the regional offices in the process.

Other Government Agencies
and Private Groups are
Dissatisfied with the
Office's Performance

While the Office of Environment has taken some steps at the National level to obtain the views of outside groups, It has no corresponding outreach program at the local level. Consequently, local interest groups have had little opportunity to communicate with the Office. Other agencies, such as the Environmental Protection Agency and Council on Environmental Quality, believe that the Office, while moving

in the right direction, frequently does not provide adequate public notice and circulation of Environmental Impact Statements and other environmental documents. The outside groups and these other agencies feel that such problems make it difficult for local interests to participate in DOE's environmental process.

Public Views Are Sought At the National Level

On the National level, the Office has taken steps to improve its interaction with outside groups. The Assistant Secretary has initiated a series of both formal and informal meetings with representatives of industry, environmental groups, and the news media. The meetings serve as a forum for these groups to air their views and concerns about environmental aspects of DOE's programs. Ideas generated from the meetings are written up and circulated to public interest groups, participants, and senior Office officials.

The Office has coordinated a few experimental workshops in the last year. For example, the Office held public hearings in Washington, D.C. on the New Source Performance Standards. Comments generated from the hearings helped form the final DOE position on the Standards. In addition, the Office has coordinated other National workshops on general energy issues such as soft energy alternatives, acid rain, and National energy futures.

These workshops have been well received by the public interest community in Washington, D.C. The NSPS public hearing was seen by participants as a useful prototype for public input on specific decisions. These participants would like to see additional public hearings on specific policy decisions such as the development of energy technologies pending before DOE.

Early in 1979, an Environmental Advisory Committee was established to advise the Secretary of Energy on policies relating to the environment and the safety of the general public. The Office, while not directly involved in organizing the Committee, provides coordination and support. The Committee, whose members are appointed from the general public, produces resolutions on various energy and environmental topics, such as synthetic fuels development. These resolutions are provided to the Secretary via the Assistant Secretary for Environment for consideration where broad policy decisions are being made.

Members of the Committee feel that, in the few resolutions made in their first year, DOE has not adequately responded to the concerns raised. The members are also concerned that they are not brought into the decision-making process on timely issues. Instead, they are asked to discuss wide-ranging, vague questions which are not the subject of current decisions.

These meetings and hearings are generally viewed as a step in the right direction, but participants feel that mere circulation of their ideas to interest groups and DOE officials is not enough. With the exception of the successful NSPS process, little evidence exists one way or the other that recommendations or concerns are directly responded to in Office research, or used by senior Office officials in policy formulation. Participants are frustrated that their role in the environmental process is unclear. They believe they should be involved in timely discussions on National energy decisions, instead of generalities.

Little Outreach at the Local Level

While some steps have been taken at the National level to obtain outside views, less effort is found at the local level. We found little evidence of DOE interaction with environmental groups at the local level.

The Office is taking some actions, however, to become more involved at the local level. The Office, along with the Office of Fossil Energy and an environmental group, the Friends of the Earth, participated in organizing a public hearing and workshop in Denver on the Oil Shale Research, Development, and Demonstration Management Plan. In addition, the Office has funded a Geothermal Environmental Overview Project, which conducted public workshops in nine local sites throughout the western United States. These workshops are an effort to integrate local concerns into the DOE decision process. Office officials said that the concerns raised by the hearing will be circulated to public interest and industry groups. Office research documents will attempt to cover the areas of concern raised by hearing participants. Both DOE officials and participants stated that these hearings were a positive step towards involving the public early in the environmental planning process.

Local groups complain of difficulty in obtaining environmental documents and criticize the lack of regional perspective in the documents they do receive. Local and State officials find it difficult to communicate their concerns to the Office.

The EPA report on DOE environmental activities, which is expected to be published in early 1980, details similar problems with public participation in the DOE environmental process. EPA officials feel that a much greater effort must be made to expand the role of existing public participation channels, and to create new methods of incorporating public concerns into DOE. During local and National public hearings, conducted for the EPA report, many witnesses cited specific problem areas that are not addressed by DOE. A major finding of the report was that non-DOE groups, such as the public, industry, labor, and State and local governments, are not involved in DOE technology decisions. Major concerns voiced at the workshops and hearings included ensuring that adequate information is actively disseminated, and that the appropriate interests are heard and considered at significant decision points.

Another major EPA finding was that the present DOE management system does not make clear who is responsible for carrying out environmental analysis at the local and regional levels.

Within the Office, officials who have helped coordinate the National hearings and workshops agree that there is more to be done. Both Office officials and public interest groups feel that public workshops on development plans early in the process produce meaningful public participation, which aids in the development of environmentally acceptable energy programs.

Outside Groups Criticize the NEPA Compliance Process

Outside interest groups feel that the public notice and circulation of Environmental Impact Statements on DOE projects are not meeting process requirements as defined by NEPA. Under NEPA, every major project under Federal purview must be subject to public review, with the guidelines for public notification carefully defined. Without such notice and review, outside groups have a difficult time trying to incorporate public and regional concerns into the Office's environmental process. One environmental group we interviewed showed, as an example, a notice in the Federal

Register on September 5, 1979, announcing that uranium mill tailing sites were being designated, and that comments were being solicited by DOE. The notice allowed 10 days for comment. This was an inadequate amount of time for the groups to receive the notice, prepare comments, and return them by mail. After a public interest group criticized this short comment period, the period was extended for eleven more days.

In addition to adequate public notification, circulation of Environmental Impact Statements must follow specified timetables and procedures. However, Department Impact Statements have been criticized by outside agencies and environmental groups for inconsistent circulation. One example cited was that, in the circulation of DOE's draft Impact Statement on the Residential Conservation Service Program, the program office did not file a Statement with EPA, nor did it use established mailing lists of interested parties. Instead, the sole notification for this Statement was placed in the Federal register.

Providing adequate time for comments on public notices and proper circulation of Impact Statements are the responsibility of the program offices. However, ensuring that NEPA processes are complied with is the responsibility of the Office of Environment. For this reason, the Office should take more responsibility in seeing that program offices comply with NEPA regulations regarding adequate public notice and circulation of public documents.

The Office is Viewed as Having Little Influence

During our review, we found a consistent theme from public interest groups, other governmental agencies, and from some DOE officials that, generally, the Office has very little influence within DOE. These opinions were not always followed up by a consistent perception of what the Office's role is, or should be. For example, some outsiders feel that the Office should be an aggressive internal lobbyist for environmentally benign technologies, and should actively block continuation of energy technologies which have known negative environmental impacts. This misconception of the Office's role by outside environmental groups leads to their misunderstanding of the Office's effectiveness.

Some outside groups and governmental agencies understand that the Office functions as a research and assessment arm for incorporating environmental concerns into the development of environmentally acceptable energy technologies. These observers feel that the Office has been given more avenues for influencing departmental decisions and operations than it currently uses. They also feel that by not using such avenues, such as taking a stronger role in circulating Environmental Impact Statements and exerting greater influence in the selection of alternative technologies, the Office fails to be effective. According to these observers, by using those powers available under current DOE management, the Office could increase its influence within the Department.

Conclusions and Recommendations

Department of Energy regional officials are concerned that their views are not incorporated into environmental documents. The absence of a clear departmental policy requiring involvement by regional officials in compiling and reviewing environmental documents limits the incorporation of regional environmental concerns into Office documents. As a result, the regional officials cannot perform their role as public affairs coordinators and representatives of the Department effectively. Office officials agree with these statements, and are moving towards greater integration of the regional offices in the environmental planning and assessment function of the Office.

The Office needs to make a greater effort to coordinate public involvement, and to incorporate regional concerns and regional environmental and institutional constraints into its environmental process. Neither DOE regional offices nor other governmental agencies and private groups have been adequately brought into the process.

Outside groups feel that the Office of Environment is not exerting as much influence as it should in fulfilling its departmental mandate to incorporate public environmental concerns into developing energy programs and projects. While some action to increase public involvement has been taken at the National level, it needs to be expanded at the local level. Outside groups feel that the Office can increase such participation by assuring proper public notice and circulation of environmental documents and by involving the public early in the environmental process.

We recommend that the Secretary of Energy assure that the Department's current examination of its field structure

includes a re-assessment of the regional offices' environmental responsibilities and establishes a clear policy requiring early involvement by the regions in the environmental planning and assessment process. We believe that this would serve to better integrate the environmental concerns and perspectives of outside groups.

Agency Comments

DOE officials, in informal comments on a draft of this report, recognized that the involvement of DOE regional offices in the environmental process is not adequate, but pointed out that this problem is not limited to environmental matters. They noted that the Department is in the process of clarifying the role of regional offices.

The officials also felt that the Office is making more progress in obtaining outside views than we indicated in our draft. In addition, they said that our criticisms of the lack of adequate public involvement in the NEPA process was unfounded.

We revised portions of the report to incorporate additional outreach efforts cited by DOE and to recognize attempts the Office has made to assure public participation in the NEPA process. However, our discussions with environmental groups consistently pointed to the need for a more aggressive outreach program at the local level and the need to do more to assure proper notification and circulation of documents required by NEPA.

In our view, the Department needs to adequately consider these views if it is to develop the coordination needed for the orderly development of energy programs.

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